



LUMERIC™ Project Summaries

Project Type:

Market Entry Strategy

Sector: Construction / Building Products

Company Size: \$250m+ division of \$6B + parent company

Company Position:
New Entrant—US; Market Leader in Asia

Client Level:
VP, Strategy and Business Development

The Critical Decision:

Can the client develop a sizable market presence in the US with their Standardized Connection Technologies (SCT) and are their viable acquisition candidates that would facilitate market entry

The Answer:

An organic US market entry would likely generate significant revenue within a five year window as the client's SCT offering was well received by potential buyers who would value the impact an additional competitor would have on this emerging market. Although there were a few viable acquisition candidates, there were limited advantages to a deal unless on very favorable terms to the client

The Discussion:

The client is the market leader in providing SCT products for base-to-column and beam-to-column structural steel connections in their home market in Asia. As their home market has reached maturity with ~90% product penetration, the company is looking toward the US as a new stream of revenue growth. In the US, SCT is an emerging technology with ~10% market penetration driven by a discrete set of small players focused on specific market niches.

Through an extensive interview program with structural engineers, general contractors and fabricators, Lumeric determined that packaging the client's distinct products together by building type would create a differentiated market position that would be highly valued by potential buyers. Further, if the client entered the market it was likely that their presence would significantly accelerate market adoption of SCTs in the US. 